IN THE CLAIMS:

Substitute the following claims for the pending claims having the same numbers.

1. (currently amended) A well system, comprising:

a device which expands into a space in a borehole, the space being at least partly defined by a castable material disposed radially between <u>and in contact with</u> the borehole and the device,

wherein the device comprises an annular element disposed on a tubular structure in the borehole and including an expandable material capable of extending which extends from a retracted state to an expanded state independent of the tubular structure.

- 2. (previously presented) The system of claim 1, wherein the space is at least partly defined by a wall of the borehole.
- 3. (previously presented) The system of claim 1, wherein the space is at least partly defined by the tubular structure.
- 4. (previously presented) The system of claim 1, wherein the space at least partly holds a fluid.
- 5. (previously presented) The system of claim 1, wherein the annular element is adapted to extend from the

retracted state to the expanded state as a reaction to exposure to a fluid in the space.

- 6. (previously presented) The system of claim 1, wherein the castable material comprises hardened concrete.
- 7. (previously presented) The system of claim 1, wherein the space comprises an elongated channel substantially defined by the castable material, the tubular structure and the borehole wall.
- 8. (currently amended) A method of sealing a space in a borehole, the space being at least partly defined by a castable material disposed in the borehole, the method comprising the steps of:

disposing on a tubular structure at least one annular element comprising an expandable material capable of extending from a retracted state to an expanded state;

extending the tubular structure into the borehole;

then providing the castable material into a volume defined by a wall of the borehole and an outer surface of the tubular structure, the castable material extending at least partially circumferentially about the annular element; and

extending the expandable material into the space contact with the wall of the borehole.

9. (previously presented) The method of claim 8, wherein the disposing step further comprises disposing a

plurality of the annular elements at spaced intervals along a length of the tubular structure.

- 10. (previously presented) The method of claim 8, wherein the expandable material is adapted to extend from the retracted state to the expanded state as a reaction to exposure to a fluid in the space.
- 11. (previously presented) The method of claim 8, wherein the expandable material extends into the space after the castable material has hardened.
- 12. (previously presented) The method of claim 8, wherein the space comprises an elongated channel substantially defined by the castable material, the tubular structure and the borehole wall.
- 13. (currently amended) A method of sealing an annulus in a borehole, the method comprising the steps of:

positioning an expandable material on a tubular structure;

installing the tubular structure in the borehole, the annulus being formed between the tubular structure and the borehole;

then flowing a castable material into the annulus, the castable material partially displacing a fluid in the annulus, and the castable material being disposed radially between the expandable material and the borehole, but leaving at least one space containing the fluid in the annulus; and

expanding the expandable material into the space <u>in</u> response to contact between the expandable material and the fluid.

- 14. (previously presented) The method of claim 13, wherein the positioning step further comprises positioning a plurality of sleeves on the tubular structure, each of the sleeves including the expandable material.
- 15. (previously presented) The method of claim 13, wherein the expanding step is performed in response to contact between the expandable material and the fluid.
- 16. (previously presented) The method of claim 13, wherein the expanding step is performed at least partially after the castable material has hardened in the annulus.
- 17. (previously presented) The method of claim 13, wherein the flowing step further comprises leaving the space so that the space is bounded at least partially by the castable material.
- 18. (previously presented) The method of claim 13, wherein the flowing step further comprises leaving the space so that the space is bounded at least partially by the borehole.
- 19. (previously presented) The method of claim 13, wherein in the positioning step the expandable material comprises a swellable material.

20. (previously presented) The method of claim 13, wherein the flowing step further comprises contacting a portion of the expandable material with the castable material, and contacting another portion of the expandable material with the fluid in the space.